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# BEFORE THE FEDERAL COMMUNICATIONS COMMISSION WASHINGTON, D.C. 20554

FEDERAL COMMUNICATIONS COMMISSION OFFICE OF SECRETARY

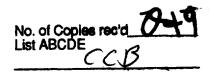
In the Matter of	)	
Establishment of a Funding Mechanism for Interstate Operator Assistance for the Deaf	) )	DOCKET FILE COPY ORIGINAL
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## PETITION FOR RULEMAKING OF SOUTHWESTERN BELL TELEPHONE COMPANY

Southwestern Bell Telephone Company (SWBT), pursuant to Section 1.401 of the Commission's Rules, hereby requests that the Commission initiate a rulemaking proceeding to establish a funding mechanism to recover the costs for the provision of interstate Operator Assistance for the Deaf (OAD). The adoption of such a funding mechanism will ensure that telecommunications carriers will be able to continue offering this necessary service to those in need. Otherwise, OAD service could be discontinued because of the high ratio of costs to revenues.

#### I. <u>BACKGROUND</u>

OAD is a service for hearing or speech impaired customers using Text Telephones (TTs) or other non-voice terminal devices to communicate with other hearing or speech impaired customers over the Public Switched Network (PSN). Such customers employ communication devices equipped with alpha/numeric keyboards which transmit and receive messages and visual displays. OAD thus involves hearing or speech impaired customer devices for both the originating and terminating ends of any particular call.



Usually, OAD does not involve relay services. OAD services are not required for calls over the PSN if billing is desired to the originating line number account. The primary need for OAD arises when hearing or speech impaired customers desire to bill a call to a line account different than the customer's billing (i.e., alternate billing service(s) or ABS). frequently, the need for OAD ABS arises when customers are away from their usual terminal device locations. When billing is desired to another account, OAD users require the assistance of operators to collect and validate the necessary billing information. Users of TTs may also require OAD for other operator assistance services, such as directory assistance, assistance with receipt of recorded announcements, or credit for service difficulties.

AT&T alone has provided OAD for local, intraLATA and interLATA calls since divestiture. AT&T has informed SWBT that, although it has not in the past charged local exchange carriers (including SWBT) for the provisioning of OAD, AT&T will no longer provide OAD unless SWBT is willing to pay charges to AT&T which are several times more than the revenue SWBT can expect to earn from OAD services. To SWBT's knowledge, AT&T is the only carrier technically equipped to provide OAD services.

SWBT has indicated its willingness to pay AT&T for the provisioning of OAD services; however, SWBT's willingness to pay is limited by the OAD revenues SWBT can reasonably expect to earn.

AT&T continues to insist that it has properly identified its OAD

costs. To maintain OAD services through mid-1995, SWBT has agreed to pay AT&T costs that are significantly more than the amount of revenue which OAD services produced for SWBT in 1993. The relief sought by SWBT will ensure OAD services continue to be available into the future.

#### II. A FUNDING MECHANISM FOR OAD.

Although the revenue generated by OAD is minuscule, the service meets a public need for the speech and hearing impaired community. Without OAD service, speech and hearing impaired customers would find it difficult, or even impossible, to communicate with one another when alternate billing or other OAD services are needed. SWBT cannot, however, justify a service which costs several times more than revenues generated. SWBT therefore asks the Commission to establish a rulemaking, the purpose of which will be the creation of an OAD funding mechanism to recover interstate OAD costs. SWBT also intends to pursue funding mechanisms to recover intrastate OAD costs.

Although many such interstate funding mechanisms are possible, SWBT recommends that the interstate fund that is established be administered by a single interstate fund administrator. The National Exchange Carrier Association (NECA) has extensive experience in administering such funds and would be a logical candidate for an OAD fund.

SWBT further submits that the cost recovery for interstate OAD should be based on revenues from subscribers for interstate service, utilizing a shared-funding cost recovery

mechanism. A charge would be assessed upon all common carriers offering interstate telecommunication services on the basis of the carrier's relative share of nationwide interstate Message Telephone Service (MTS) revenues. The interstate revenues reported by local exchange carriers for computation of the charge would be those associated only with interstate intraLATA MTS and should not include the interstate access revenues resulting from access charges paid by access customers, primarily interexchange carriers (IXCs), for interconnection to SWBT's local exchange network. Because those access revenues are also IXC costs (recovered by IXC rates to interstate subscribers) it would be inappropriate to include LEC access revenues in OAD cost recovery.

#### III. CONCLUSION

OAD is a necessary and vital service for the hearing and speech impaired community. SWBT therefore requests that the Commission institute a rulemaking proceeding to establish an interstate OAD funding mechanism.

Respectfully submitted,

SOUTHWESTERN BELL TELEPHONE COMPANY

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#### CERTIFICATE OF SERVICE

I, Liz Jensen, hereby certify that the foregoing Petition for Rulemaking of Southwestern Bell Telephone Company In the Matter of Establishment of a Funding Mechanism for Interstate Operator Assistance for the Deaf has been served this 29th day of December, 1994 to the Parties of Record.

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Liz Jensen

December 29, 1994

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